

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD A BUDGET MEETING ON TUESDAY, APRIL 24, 2012 AT 6:00 P.M., IN THE BOARD OF SUPERVISORS MEETING ROOM LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, SUITE 104, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: David Cundiff, Chairman
 Leland Mitchell, Vice-Chairman
 Charles Wagner
 Ronnie Thompson
 Cline Brubaker
 Bob Camicia
 Bobby Thompson

OTHERS PRESENT: Richard E. Huff, II, County Administrator
 Christopher Whitlow, Asst. County Administrator
 B. J. Jefferson, County Attorney Left @ 6:20 P.M.
 Sharon K. Tudor, MMC, Clerk

Chairman David Cundiff called the meeting to order.

ADOPTION OF FY’2012-2013 COUNTY BUDGET

Mr. Richard E. Huff, II, County Administrator, shared with the Board the following advertised information:

**SYNOPSIS OF THE PROPOSED BUDGET FOR FISCAL YEAR
2012-2013**

<u>Expenditure Function</u>	<u>Proposed Expenditures</u>	<u>Percent of Budget</u>
General and Financial Administration	\$3,966,843	3.3%
Judicial System	2,363,269	2.0%
Public Safety	13,124,785	10.8%
Public Works	3,032,871	2.5%
Health and Welfare	11,441,769	9.4%
Schools	77,176,837	63.9%
Recreation and Cultural	1,769,727	1.4%
Community Development	2,136,877	1.8%
Debt Service	1,932,833	1.6%
Non-Departmental	213,557	0.2%
Capital Outlay	3,235,501	2.7%
Utilities	456,696	0.4%
Sub-Total	\$120,851,565	100.0%
Transfers Between Funds	36,997,189	
Total	\$157,848,754	

<u>Revenue Function</u>	<u>Proposed Revenues</u>	<u>Percent Of Budget</u>
General Property Taxes/Other Local Taxes	\$54,162,768	44.8%
State Funds – County	15,253,048	12.6%
State School Funds	36,515,448	30.2%
Federal School Funds	7,135,098	6.0%
Local School Funds	3,171,400	2.6%
Other County Funds	4,613,803	3.8%
Fund Balance	0	0.0%
Sub-Total	\$120,851,565	100.0%
Transfers Between Funds	36,997,189	
Total	\$157,848,754	

**A HEARING TO SET TAX LEVIES FOR THE FOLLOWING
CLASSES OF PROPERTY:**

1. Setting a tax levy of \$.54/\$100 of assessed value on real estate, public service corporation property, and mobile homes; pursuant to the authority of 58.1-3200, 58.1-3201, 58.1-3202,

58.1-3203, 58.1-3204, 58.1-3205 of the Code of Virginia, as amended.

2. Setting a tax levy of \$2.34/\$100 of assessed value on personal property, pursuant to the authority of 58.1-3500, 58.1-3501, 58.1-3502, 58.1-3503, 58.1-3506 of the Code of Virginia, as amended.
3. Setting a tax levy of \$1.89/\$100 of assessed value on personal property, classified as heavy construction machinery, including but not limited to land movers, bulldozers, front-end loaders, graders, packers, power shovels, cranes, pile drivers, forest harvesting and silvicultural activity equipment and ditch and other types of diggers owned by businesses pursuant to the authority of 58.1-3508.2 of the Code of Virginia, as amended.
4. Setting a tax levy of \$0.70/\$100 assessed value on machinery and tools based on original cost and declining depreciation over a 7-year period. By the seventh year of depreciation, the effective rate is \$0.28 per \$100 assessed value. This rate is levied pursuant to the authority of 58.1-3507(B) of the Code of Virginia, as amended.
5. Setting a tax levy of \$1.08/\$100 of assessed value on merchants' capital, pursuant to the authority of 58.1-3509, and 58.1-3510 of the Code of Virginia, as amended.

Mr. Ronnie Thompson, Boone District, stated it gives him “*heartburn*” to raise taxes when people are struggling, but simply did not know how else the shortfalls could be made up from the decline in the recent County’s reassessment.

(RESOLUTION #16-04-2012)

BE IT THEREFORE RESOLVED, by the Board to adopt the aforementioned proposed FY’2012-2013 budget as advertised plus the additional School funds included for a new net total of \$120,977,031 plus transfers between funds in the amount of \$36,997,189 for a grand total of \$157,974,220, with the same local school allocation as presented by the County Administrator in the proposed FY’2012-2013 County budget.

MOTION BY: Bob Camicia
 SECONDED BY: Bobby Thompson
 VOTING ON THE MOTION WAS AS FOLLOWS:
 AYES: Mitchell, Thompson, Cundiff, Angell, Johnson, Thompson & Wagner

(RESOLUTION #17-04-2012)

BE THEREFORE RESOLVED, by the Board of Supervisors to adopt the following tax levies for the following classes of property as follows;

**A HEARING TO SET TAX LEVIES FOR THE FOLLOWING
 CLASSES OF PROPERTY:**

1. Setting a tax levy of \$.54/\$100 of assessed value on real estate, public service corporation property, and mobile homes; pursuant to the authority of 58.1-3200, 58.1-3201, 58.1-3202, 58.1-3203, 58.1-3204, 58.1-3205 of the Code of Virginia, as amended.
2. Setting a tax levy of \$2.34/\$100 of assessed value on personal property, pursuant to the authority of 58.1-3500, 58.1-3501, 58.1-3502, 58.1-3503, 58.1-3506 of the Code of Virginia, as amended.
3. Setting a tax levy of \$1.89/\$100 of assessed value on personal property, classified as heavy construction machinery, including but not limited to land movers, bulldozers, front-end loaders, graders, packers, power shovels, cranes, pile drivers, forest harvesting and silvicultural activity equipment and ditch and other types of diggers owned by businesses pursuant to the authority of 58.1-3508.2 of the Code of Virginia, as amended.
4. Setting a tax levy of \$0.70/\$100 assessed value on machinery and tools based on original cost and declining depreciation over a 7-year period. By the seventh year of depreciation, the effective rate is \$0.28 per \$100 assessed value. This rate is levied pursuant to the authority of 58.1-3507(B) of the Code of Virginia, as amended.
5. Setting a tax levy of \$1.08/\$100 of assessed value on merchants' capital, pursuant to the

authority of 58.1-3509, and 58.1-3510 of the Code of Virginia, as amended.

MOTION BY: Bob Camicia
 SECONDED BY: Bobby Thompson
 VOTING ON THE MOTION WAS AS FOLLOWS:
 AYES: Mitchell, Thompson, Cundiff, Angell, Johnson, Thompson & Wagner

SHERIFF’S VEHICLE PURCHASE

The Franklin County Sheriff’s Office is a law enforcement agency with local jail and law enforcement responsibility. It maintains a fleet of police vehicles necessary to carry out all functions and responsibilities. Field law enforcement vehicles are normally replaced around 125,000 miles and the better of these vehicles are then reissued or reassigned to support services such as prisoner transport or spare fleet vehicles. They are maintained in this capacity until they become unreliable or repairs and maintenance becomes cost prohibitive.

The Sheriff’s Office requests to purchase one used 4 Door Sedan to be purchased from Basic Auto under state contract #E194-590. The vehicle to be purchase is a 2011 Buick LaCrosse CXL 4 Door Sedan with 21,500 miles. The Clean Black Book Wholesale value is \$23,475.00. The Bid Differential is \$650.00 and the delivery cost is \$127.20. The total cost of this vehicle is \$24,252.20.

Basic Auto is the dealership in Virginia that currently holds the State Contract to furnish used vehicles to agencies. The term “Bid Differential” stands for the commission that Basic Auto is allowed to charge since they are selling the vehicles at wholesale prices.

The vehicle to be replaced is a 2000 Ford Crown Vic. with over 140,000 miles. This car is currently being used as a spare, however maintenance costs are becoming high. It currently requires a quart of oil every 1000-1500 miles.

RECOMMENDATION:

The Franklin County Sheriff’s Office respectfully asks the Board of Supervisors to consider and approve the above request. The price of this purchase will be covered by the existing vehicle budget.

(RESOLUTION #18-04-2012)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve the request as submitted.

MOTION BY: Charles Wagner
 SECONDED BY: Ronnie Thompson
 VOTING ON THE MOTION WAS AS FOLLOWS:
 AYES: Mitchell, Thompson, Wagner, Brubaker, Camicia, Thompson & Cundiff

CARRY OVER FUNDS FOR SCHOOL SYSTEM

General discussion ensued. Bob Camicia stated he would like to see the Board consider the request later in August or September and a possible bonus if there are funds in carry over. Cline Brubaker asked if there could be an agreement for any of the proposed carry over funds. Ronnie Thompson stated there seems to be a mind set of all government “to spend money and not save money”, then we want to spend the money rather than turn the money back in, there needs to be an incentive on funds to be turned back in. Mr. Thompson requested the Board to table the issue for 30 to 60 days and if there are monies left over in the school budget then the School Board may approach the Board of Supervisors for further appropriations to the school budget. The Board concurred.

HEALTH & DENTAL RENEWALS

Richard E. Huff, II, introduced Patsy Akridge, County Insurance Consultant. Mr. Huff and Ms. Akridge walked the Board through the differences in the present Anthem Health Care vs. Southern Coventry.

Richard E. Huff, II, County Administrator, stated the County and Town staff recently met with our insurance consultant to review and discuss the health and dental insurance renewals for next fiscal year (FY12-13). Based on the County’s desire to explore new options for health and dental insurance, it was decided to solicit bids for health and dental renewals for next fiscal year.

The current benefit level (Anthem Key Care 15) was solicited as well as other options that offered larger co-pays and deductibles. The County also solicited proposals for large deductible/health

savings account options and self-insured options. Responses were received from the following carriers:

- Anthem Blue Cross Blue Shield
- Coventry Southern Health
- AETNA
- Optima
- The Local Choice

Coventry Southern Health submitted the lowest renewal with an approximate rate increase of 3.3% to provide the same coverage as the current Anthem Key Care 15. Staff would recommend the County offer more than one choice for health insurance as shown on the attachment and also implement a five year strategy to move employees to higher deductible plans in hopes of saving future premium costs.

The dental insurance proposal from Delta Dental presented a renewal quote with no increase for a two year renewal.

RECOMMENDATION:

Staff respectfully requests the Board to allow the County Administrator to renew our health insurance coverage with Coventry Southern Health for FY12-13. Staff also requests the Board to allow the County Administrator to renew our dental insurance with Delta Dental of Virginia for FY12-13 and FY13-14. Staff would also request that any savings realized from lower premiums be added to a health insurance reserve to buffer future increases.

General discussion ensued regarding several scenarios and various options.

(RESOLUTION #19-04-2012)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to direct staff to bring different options and cost associated with the Anthem Health Care Systems renewal during the May Board meeting.

MOTION BY: Bobby Thompson
SECONDED BY: Ronnie Thompson
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Thompson, Brubaker, Camicia, Thompson & Cundiff
NAYS: Mitchell & Wagner

MOTION PASSES WITH A 5-2 VOTE.

Chairman Cundiff adjourned the meeting.

DAVID CUNDIFF
CHAIRMAN

SHARON K. TUDOR, MMC
CLERK